

TITLE 4: ECONOMIC RESOURCES
DIVISION 2: TOURISM

§ 2202. Authority to Grant Concessions.

(a) The Commonwealth Ports Authority may grant to any person a concession for one or more ports of entry and enter into a concession agreement with that person in the manner provided in [4 CMC § 2206\(a\)](#). This shall be done in accordance with Commonwealth Ports Authority rules, regulations, and statutory authority. The Commonwealth Ports Authority may not enter into a concession agreement with a person for a term longer than 20 years from the effective date of the concession. The Commonwealth Ports Authority may lease, rent, or let any land or building or any part thereof or any interest therein, situated in any port of entry, to any concessionaire, and may engage in such other conduct as is appropriate or incident to the award, execution or enforcement of such a concession. The concession agreement may contain such terms and conditions, not in conflict with the provisions of this chapter, as the Commonwealth Ports Authority deems appropriate, including, without limitation, concession fees, hours of business, standards of operation, reasonableness of prices charged, appropriate record keeping, cash handling and audit procedures all in accordance with generally accepted accounting principles, and/or a grant of authority to sell duty-free merchandise (or certain types thereof). On behalf of the Commonwealth government, and notwithstanding any other provision of law, the Commonwealth Ports Authority may waive the imposition of all taxes and fees and requirements on the holder of a concession, its property or its customers, relating to operations under the concession and imposed or collected by the Commonwealth Ports Authority, except for the concession fee as set forth in [4 CMC § 2202\(d\)](#), the license fee provided for in [4 CMC § 2208](#), and a business gross revenue tax in accordance with the terms set forth in [4 CMC § 2202\(e\)](#).

(b) Apart from any concessionaire, the Commonwealth Ports Authority shall confer no right upon, nor suffer nor allow, any person to use any port of entry to offer to sell or sell merchandise, or to deliver merchandise, sold in less than a wholesale quantity or otherwise, to or for the direct or indirect benefit of a departing individual (regardless of the time or place of the individual's departure and regardless of the time or place of the order and/or payment for the merchandise), and shall confer no right upon, nor suffer nor allow, any person to use any port of entry to offer the provision of retail services (including advertising) for which the privilege to provide is currently held by a concessionaire.

(c) A concession may not be sold, assigned, or otherwise transferred without the express prior written approval of the Commonwealth Ports Authority, which shall include a determination of the financial responsibility, moral character, and reputable experience of the proposed purchaser, assignee, or transferee. The approval shall not be withheld unreasonably. The approval, if given, shall be without charge or levy upon the seller, assignor, transferor, purchaser, assignee, or transferee as a condition to the approval.

(d) The Commonwealth Ports Authority may set such concession fee for a concession as it deems appropriate.

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(e) In addition to the concession fee, there shall be a business gross revenue tax of 4% of the gross sales of each concession, which shall be paid within 15 days after the last day of each calendar month and be a part of the General Fund of the Commonwealth Treasury.

Source: [PL 4-60](#), § 2 (§ 2202), modified; repealed and reenacted by [PL 19-76](#) § 2 (Jan. 12, 2017), modified.

Commission Comment: [Historical comments removed.]

In codifying [PL 19-76](#), the Commission changed “4.0 percent” to “4%” in (e) pursuant to [1 CMC § 3806\(g\)](#).